

UNITED STATES OF AMERICA  
Before The  
OFFICE OF THRIFT SUPERVISION

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In the Matter of )

Deborah Geralts. )

A Former Employee of )  
Continental Savings Bank, FSB )  
Milwaukee, Wisconsin )  
OTS No. 01300 )

Order No.: **MWR-05-4**  
Date: **March 1, 2005**

STIPULATION AND CONSENT TO THE ISSUANCE OF AN  
ORDER OF PROHIBITION

**WHEREAS**, the Office of Thrift Supervision (OTS), based upon information derived from the exercise of its regulatory responsibilities, has informed Deborah Geralts (**Geralts**), former employee, branch office manager and loan officer of Continental Savings Bank, FSB, Milwaukee, Wisconsin (Continental), that grounds exist to initiate an administrative prohibition proceeding against her, pursuant to 12 U.S.C. § 1818(e);<sup>1</sup> and

**WHEREAS**, **Geralts** desires to cooperate with the OTS and to avoid the time and expense of such administrative proceeding and, without any adjudication on the merits and solely for the purposes of settlement in accord with Federal Rules of Evidence 408 or any equivalent Wisconsin statutory limitation and, without admitting or denying that such grounds exist, or the Findings of Fact or opinions and conclusions of the OTS, except as to Jurisdiction, Paragraph 1, below, which is admitted, hereby stipulates and agrees to the following:

Deborah Geralts  
Stipulation and Consent

1. Jurisdiction. (a) Continental is a “savings association” within the meaning of 12 U.S.C. § 1813(b) and 12 U.S.C. § 1462(4). Accordingly, it is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c);

(b) **Geralts** was an employee of Continental, and is an “institution-affiliated party” as that term is defined in 12 U.S.C. § 1813(u), having served in such capacity within 6 years of the date hereof (see 12 U.S.C. § 1818(i)(3)); and

(c) Pursuant to 12 U.S.C. § 1813(q), the Director of the OTS is the “appropriate Federal banking agency” to maintain an administrative prohibition proceeding against such institution-affiliated parties of a savings association. Therefore, **Geralts** is subject to the jurisdiction of the OTS to initiate and maintain an administrative proceeding against her, pursuant to 12 U.S.C. § 1818(e). The Director of the OTS has delegated to the Regional Director of the Midwest Region of the OTS or his designee (Regional Director) the authority to issue prohibition orders where the individual has consented to the issuance of the order.

2. OTS Findings of Fact. The OTS finds that between February 2002, and December 2002, **Geralts**, acting as loan officer, approved three share loans using 3 certificates of deposit as collateral. These certificates were issued to the Geralts Family Trust and totaled \$204,000.00. None of these loans contained necessary loan documentation as required by Continental loan policy, applicable federal regulations or safe and sound banking practices. Proceeds from these share loans were deposited into accounts that **Geralts** controlled or had access to. These transactions occurred without the knowledge and approval of both of the co-trustees of the trust. As a result of her actions, **Geralts** (1) engaged in a violation of law or regulation, unsafe or

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<sup>1</sup> All references to the United States Code (U.S.C.) are as amended, unless otherwise

unsound practice, or breach of her fiduciary duty; and (2) such violation, practice or breach resulted in financial gain to **Geralts**, financial harm to Continental, or other damage to Continental; and (3) the conduct involved personal dishonesty, or willful or continuing disregard for the safety and soundness of the institution.

3. Consent. **Geralts** consents to the issuance by the OTS of the accompanying Consent Order of Prohibition (Order). **Geralts** further agrees to comply with the terms of the Order upon issuance and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued under 12 U.S.C. § 1818(e). Upon its issuance by the OTS, it shall be a final order, effective and fully enforceable by the OTS or any other appropriate Federal banking agency under the provisions of 12 U.S.C. § 1818(i).

5. Waivers. **Geralts** waives the following: (a) The right to be served with a written notice of the OTS's charges against her, as provided by 12 U.S.C. § 1818(e);

(b) The right to an administrative hearing of the OTS's charges against her, as provided by 12 U.S.C. § 1818(e);

(c) The right to seek judicial review of the Order, including, without limitation, any such right provided by 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order;

(d) Any and all claims against the OTS, including its employees and agents, and any other governmental entity for the award of fees, costs, or expenses related to this OTS enforcement

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indicated.

matter and/or the Order, whether arising under common law, the Equal Access to Justice Act, 5 U.S.C. § 504, or 28 U.S.C. § 2412; and

(e) The right to assert this proceeding, her consent to issuance of the Order, the issuance of the Order as the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice or any other governmental entity.

6. Other Governmental Actions Not Affected. **Geralts** acknowledges and agrees that the consent to the issuance of the Order is for the purpose of resolving this OTS enforcement matter only, and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any other actions, charges against, or liability of **Geralts** that arise pursuant to this action or otherwise and that may be or have been brought any other governmental entity.

7. Agreement for Continuing Cooperation. **Geralts** agrees that, at the OTS's written request, on reasonable notice and without service of a subpoena, she will provide discovery and testify truthfully at any deposition or at any judicial or administrative proceeding related to any investigation, litigation, or other proceeding maintained by the OTS or other appropriate Federal banking agency relating to Continental, its holding company, service corporations, subsidiaries, or institution-affiliated parties, except that **Geralts** does not waive any privilege against self-incrimination under the Fifth Amendment of the United States Constitution or any attorney-client privilege. If **Geralts** invokes her privilege against self-incrimination under the Fifth Amendment of the United States Constitution and the OTS or other appropriate Federal banking agency obtains a grant of immunity pursuant to 18 U.S.C. § 6001, et seq., **Geralts** agrees, consistent with any such grant of immunity, to provide discovery and testify truthfully at any deposition and at

any judicial, administrative, or investigative proceeding on the matter for which immunity is given.

8. Acknowledgment of Criminal Sanctions. Geralts acknowledges that the Stipulation and Order are subject to the provisions of 12 U.S.C. § 1818(j).

9. Miscellaneous. (a) The laws of the United States of America shall govern the construction and validity of the Stipulation and Order;

(b) All references to the OTS in the Stipulation and Order shall also mean any of the OTS's predecessors, successors, and assigns;

(c) The section and paragraph headings in the Stipulation and Order are for convenience only, and such headings shall not affect the interpretation of the Stipulation or Order;

(d) The terms of the Stipulation and Order, including the Whereas clause of this Stipulation limiting Geralts' admissions, represent the final agreement of the parties with respect to the subject matters hereof, and constitute the sole agreement of the parties with respect to such subject matters; and

(e) The Stipulation and Order shall remain in effect until terminated, modified, or suspended in writing by the OTS, acting through its Director, Regional Director, or other authorized representative.

**WHEREFORE, Geralts** executes this Stipulation and Consent to the Issuance of an  
Order of Prohibition intending to be legally bound hereby.

Accepted by:

OFFICE OF THRIFT SUPERVISION

By:                      /s/  
Deborah Geralts

By:                      /s/  
Frederick R. Casteel  
Regional Director  
Midwest Region

Dated: 2-23-05

Dated: 3-1-05

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Order No.: MWR-05-4

Date: March 1, 2005

CONSENT ORDER OF PROHIBITION

**WHEREAS**, Deborah Geralts (**Geralts**) has executed a Stipulation and Consent to the Issuance of an Order of Prohibition (Stipulation); and

**WHEREAS**, Geralts, by her execution of the Stipulation, has consented and agreed to the issuance of this Consent Order of Prohibition (Order) by the Office of Thrift Supervision (OTS), pursuant to 12 U.S.C. § 1818(e).

**NOW THEREFORE, IT IS ORDERED that:**

1. **Geralts** is prohibited from further participation, in any manner, in the conduct of the affairs of Continental Savings Bank, FSB, Milwaukee, Wisconsin (OTS Docket Number 01300)(Continental), and any holding company, subsidiary, and/or service corporation thereof.

2. **Geralts**, except upon the prior written consent of the OTS (acting through its Director or an authorized representative thereof) and any other “appropriate Federal financial institutions regulatory agency,” for purposes of 12 U.S.C.

§ 1818(e)(7)(B)(ii), shall not:

(a) Hold any office in, or participate in any manner in the conduct of the affairs of, any institution or agency specified in 12 U.S.C. § 1818(e)(7)(A), including, but not limited to:

- (i) Any insured depository institution, e.g., savings and loan associations, savings banks, national banks, trust companies, and other banking institutions;
- (ii) Any institution treated as an insured bank under 12 U.S.C. §§ 1818(b)(3) and 1818(b)(4), or as a savings association under 12 U.S.C. § 1818(b)(9), e.g., subsidiaries and holding companies of savings associations;
- (iii) Any insured credit union under the Federal Credit Union Act (12 U.S.C. § 1781, et seq.);
- (iv) Any institution chartered under the Farm Credit Act of 1971 (12 U.S.C. § 2001, et seq.);
- (v) Any appropriate Federal depository institution regulatory agency, within the meaning of 12 U.S.C. § 1818(e)(7)(A)(v);  
and
- (vi) The Federal Housing Finance Board and any Federal home loan bank.



modified, or suspended, in writing by the OTS, acting through its Director, Regional  
Director, or other authorized representative.

**OFFICE OF THRIFT SUPERVISION**

By: /s/Frederick R. Casteel  
**Frederick R. Casteel**  
**Regional Director**  
**Midwest Region**

**Deborah Geralts**  
**Order of Prohibition**